

The Silver Market 1984

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Highlights of The Silver Market 1984

We have continually emphasized that there will not be a shortage of silver for future industrial needs and, events have confirmed this position.

During 1984, silver supplied to the market from new mine production and secondary sources exceeded industrial demand by approximately 52,000,000 ounces. Furthermore, any improvement in industrial demand in 1985 may be readily accommodated by available supplies.

The price of silver declined from \$8.58 on January 3, 1984 to \$6.36 on December 28, 1984. This represents a 26% reduction in price.

Some analysts attribute part of the weakness in silver prices to the strength of the dollar.

Consumption of silver for industrial uses in the United States increased about 2% during 1984 to an estimated 119,000,000 ounces compared to a revised figure of 116,300,000 ounces in 1983.

All major categories, except "Sterling Ware," "Jewelry," and "Coins, Medallions and Commemorative Objects," appear to have registered increases. The largest gains were in "Photographic," "Brazing Alloys," and "Contacts and Conductors."

World consumption of silver during 1984 for industrial and coinage uses combined, excluding Communist-dominated

areas, increased to an estimated 379,300,000 ounces, a 3% increase over our revised 1983 figure of 368,100,000 ounces.

Industrial consumption was approximately 371,000,000 ounces, up 6% from the previous year. Coinage consumption decreased 55% to 8,300,000 ounces from 18,600,000 ounces in 1983. This sharp decrease is due to the U.S. Olympic coin program which used approximately 10,000,000 ounces of silver in 1983.

World mine production of silver, excluding Communist-dominated areas, amounted to nearly 315,200,000 ounces during 1984, a slight increase from our revised 1983 figure of 313,700,000.

Supplies of silver from secondary sources declined 24% during 1984. The outflow of silver from old scrap, demonetized coin, India, and Government sources provided 116,200,000 ounces of silver to the market during 1984 compared to 152,900 ounces during 1983.

Prices in the New York market continued to fluctuate widely as has been the pattern for the past several years. The range between the high and low prices was \$3.78 in 1984 compared to \$6.40 in 1983. The average silver price for 1984 of \$8.14 was 29% lower than the comparable amount of \$11.45 for 1983.

The basic factors which influenced the market in 1984 appear substantially unchanged from previous years. For the past several years, attempts to forecast short-range price movements have been largely unsuccessful because of the actions of investors and speculators who have dominated the market. Unless an unforeseen future development tips the scale, it seems logical to expect much the same kind of market conditions during 1985 that we have been experiencing for the past few years.

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Review of the Silver Market for 1984

The price of silver declined from \$8.58 on January 3, 1984, to \$6.36 on December 28, 1984. This represents a 26% reduction in price. Analysts attribute part of the weakness in silver prices to the strength of the dollar. The reason for this is that silver is widely quoted in dollars, and when the dollar appreciates in relation to other currencies, it takes fewer dollars to measure the real value of silver. Silver prices, when expressed in other currencies, showed smaller decreases for the past year. The following table reflects the relative change in the price of silver for 1984 expressed in terms of various currencies:

	Silver Price Per Ounce		Percent Change
	01/03/84	12/28/84	
U.S. dollars	8.580	6.360	26
Swiss francs	18.696	16.542	12
Deutsche marks	23.381	20.066	14
Japanese yen	1,987.986	1,600.176	19
French francs	71.514	61.390	14
British pound	5.911	5.492	7

During 1984, silver supplied to the market from mine production and secondary sources exceeded industrial demand by approximately 52,000,000 ounces compared to 98,500,000 ounces the previous year. The balance of supply and industrial demand of the silver market changed substantially in mid-1979. Since that time, industrial demand has declined and investors have increased their silver bullion holdings. This represents a reversal of the market conditions which existed during the previous twenty-five years. Accordingly, for the last five years, industrial consumers of silver have been able to meet their needs without looking to Government stockpiles or investor accumulations as a source.

The table on page 26 sets forth a comparative record of high, low, and average silver prices for both the New York and London

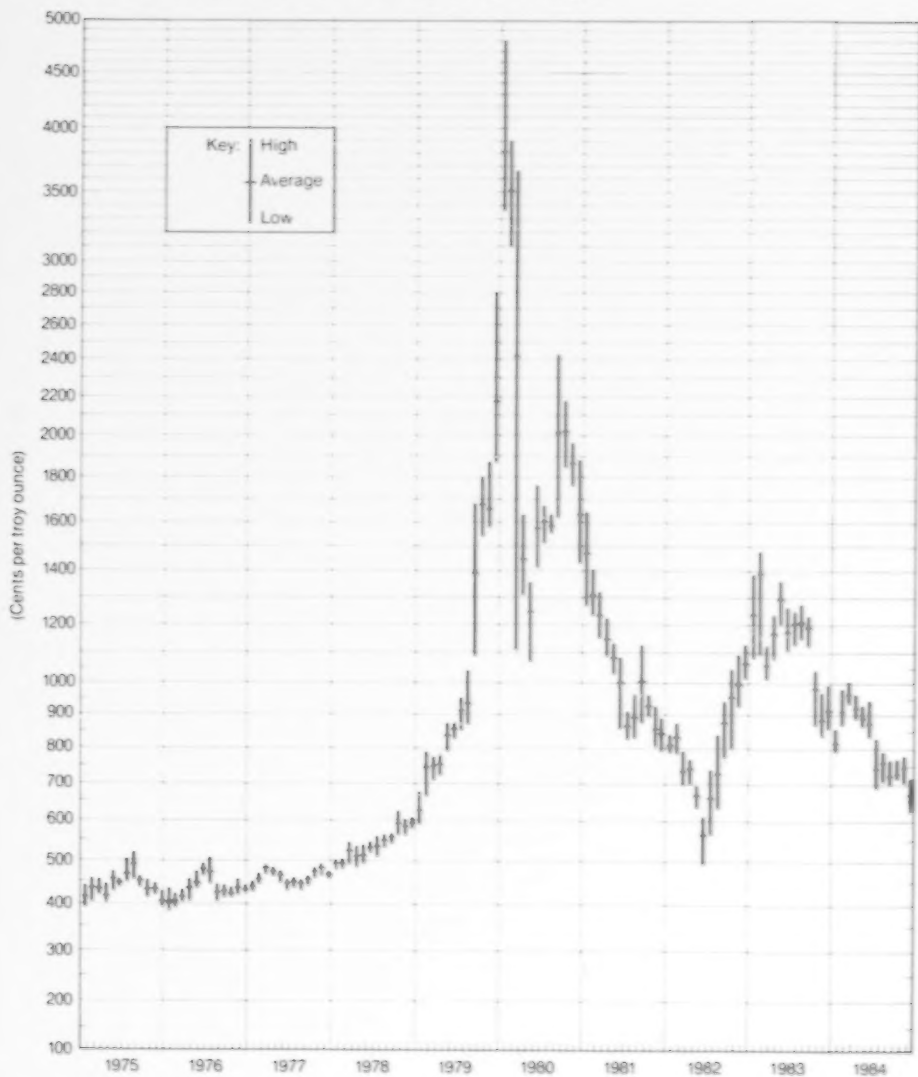
spot markets for the past ten years. Prices in the New York market continued to fluctuate widely as has been the pattern for the past several years. The range between the high and low prices was \$3.78 in 1984 compared to \$6.40 in 1983. The average silver price for 1984 of \$8.14 was 29% lower than the comparable amount of \$11.45 for 1983. The chart on page 7 shows monthly high, low and average prices of spot silver from 1975 through 1984 as published by Handy & Harman. This chart illustrates the volatile nature of the market over the past ten years.

The pattern of the New York silver price during 1984 falls into two major phases. The first phase from January to March was characterized by an upward price trend. The second phase from March through December was characterized by a steady downward price trend.

The year opened with the market at \$8.58 per troy ounce, and on March 5, 1984, the price reached \$10.03 which was the high for the year. This advance represented a 17% increase in just two months. At this point, the market entered its second phase, resuming the long-term downward trend which had been underway since June, 1983. By the end of July, the price had fallen to \$6.90, a decline of some \$3.13 in about five months. Resistance developed at that level, and the price promptly recovered to \$7.92 by August 15, 1984. Thereafter, an erratic downward trend over the next four months carried the price to \$6.26 on December 20, 1984, and that proved to be the low for the year.

The reason for the rise, and then, decline in silver prices during 1984 must be attributed more to speculator and investor reaction to the flow of events than to periodic shifts in the level of commercial demand. Certainly, the recovery in the principal economic indicators during the first half of the year had its influence. Equally, the realization that the recovery rate was

New York Silver Prices Monthly Ranges



slowing as the year progressed helped bring about price reaction during the closing months.

Perhaps more important than the economic indicators, however, is the fact that silver has for many years been considered as a hedge metal, that is, as a refuge from inflation and monetary uncertainties. Accordingly, the moderate rate of inflation in the United States and the strength of the dollar appear to have had a greater influence on price patterns than seasonal variations in the requirements of industry.

Silver in the United States

The New York Market: The most significant trading market for silver in the United States is the New York Commodity Exchange, generally referred to as COMEX. The daily New York silver price for prompt physical delivery as published by Handy & Harman, closely reflects the prices on COMEX for Silver futures because the principal suppliers to commercial users base their daily offers on the current COMEX quotations. Unless otherwise specified, all references to the New York price refer to the Handy & Harman published price.

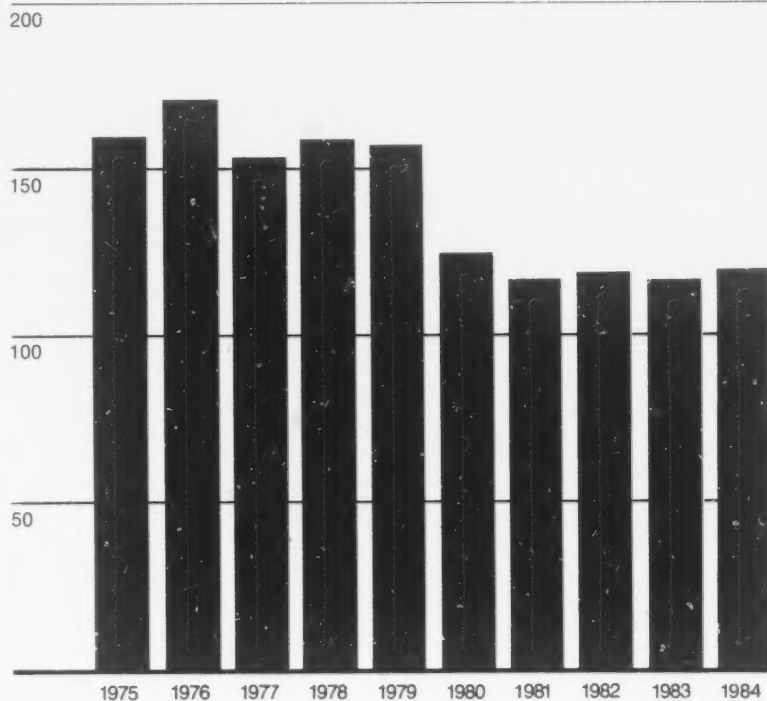
Price Definition: The price referred to in the above market discussion is the New York Silver Price as published daily by Handy & Harman. The definition of this price is as follows:

"The daily silver quotation reported by Handy & Harman, in cents and tenths of a cent per troy ounce, is the lowest at which offers can be obtained by Handy & Harman for silver in commercial bar form, in accordance with ASTM Designation: B413-69 Specification for Refined Silver, Grade 99.90 for nearby delivery at New York, in quantities sufficient to meet requirements."

The New York Commodity Exchange designates certain brands of silver which are acceptable as good delivery against

Industrial Consumption of Silver in the United States 1975-1984

(millions of ounces)



contracts on the Exchange, but it does not require conformity to ASTM specifications. It requires only that such silver be no less than 99.9% pure without reference to impurities. The ASTM specification sets maximum limits on impurities, and this is very important for commercial users. Therefore, the price published by Handy & Harman is somewhat different than comparable quotations on COMEX.

Silver Futures: Trading in silver futures on the New York Commodity Exchange increased 5% during 1984. A total of 6,742,508 contracts of 5,000 ounces each were traded, amounting to 33.7 billion ounces of silver compared to 32.2 billion ounces traded in 1983. Open interest at year-end amounted to 81,010 contracts, up 34% from 60,334 at the beginning of the year. Stocks in COMEX licensed vaults at the end of 1984 amounted to 118,520,000 ounces, down 7% from the 127,416,000 ounces at the end of 1983.

The Chicago Board of Trade has discontinued trading of the 5,000 ounce contract. A total of 1,887,257 contracts of 1,000 ounces each were traded during 1984. This was equivalent to about 1.9 billion ounces of silver compared to 2.6 billion ounces for the year before. Stocks in approved CBT vaults at year-end amounted to 17,500,000 ounces, a 26% decrease from the 23,818,000 ounces at the end of 1983.

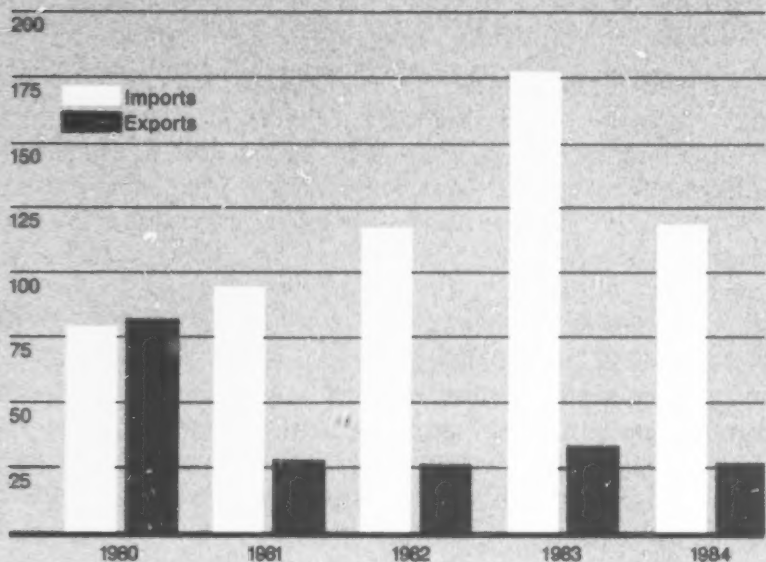
Industrial Consumption: Consumption of silver for industrial uses in the United States increased 2.3% during 1984 to an estimated 119,000,000 ounces compared to a revised figure of 116,300,000 ounces in 1983. A five-year summary of consumption by end-use appears on page 24 in the statistical tables.

All major categories except "Sterling Ware," "Jewelry," and "Coins, Medallions and Commemorative Objects" appear to have registered increases. The largest gains were in the "Photography," "Brazing Alloys," and "Contacts and Conductors" categories. Consumption in other categories remained approximately the same as the previous year.

Imports and Exports: Total imports of silver into the United States during 1984 amounted to approximately 119,400,000 ounces, a 34% decrease from the previous year's revised total of 179,900,000 ounces. Imports from Canada amounted to 37,100,000 ounces, a 3% increase from the previous year. Imports

Silver Imports-Exports

(millions of ounces)



from Mexico increased to 41,700,000 ounces in 1984 from 30,300,000 ounces in 1983. Shipments received from Peru amounted to 25,200,000 ounces, an increase of 1,300,000 ounces from the previous year. Imports of silver bullion from the United Kingdom declined significantly; 6,500,000 ounces was imported in 1984 compared to 62,600,000 ounces in 1983. The large movement of bullion in 1983 was reflected in the increase of COMEX and CBT warehouse stocks during that year. All other countries supplied 8,900,000 ounces in 1984, as compared to 27,200,000 ounces in the previous year.

Exports during 1984 amounted to an estimated 25,600,000 ounces, a 20% decrease from the 32,000,000 ounces in 1983. The major change was in exports to the United Kingdom which totaled 2,400,000 ounces in 1984 compared with 10,200,000

ounces shipped in the previous year. In addition, 9,800,000 ounces was shipped to Canada, about 3,900,000 ounces was shipped to Japan, and 9,500,000 ounces to various other countries.

Legislative Developments: The question regarding the sale of the U.S. Strategic Stockpile of 137,500,000 ounces of silver has been under consideration since 1973. During 1981 legislation was enacted authorizing the General Services Administration to sell 105,000,000 ounces over a three year period; however, after two months of offering, the G.S.A. sold only 2,000,000 ounces. On December 17, 1981, the G.S.A. announced it would stop sales of silver in accordance with the Defense Appropriation Act. The Act calls for a halt to the weekly sales until the President completes a study to determine whether there is a surplus of silver in the national stockpile. On December 21, 1982, the President signed the Continuing Spending Bill which limits the amount of silver available for sale each year from the Strategic Stockpile to 10% of U.S. annual mine production. Other legislative action on silver during 1984 involved a proposal to use 10,000,000 ounces of silver in a coinage program. The U.S. Senate passed a resolution whereby 10,000,000 ounces of silver from the Strategic Stockpile would be used to mint silver coins as legal tender. However, the House of Representatives rejected the plan. All indications are that there is still strong Congressional opposition to the disposal of the silver stockpile. Meanwhile, this silver continues to be a potential source for industry.

REVIEW OF OTHER MARKETS

World consumption of silver during 1984 for industrial and coinage uses combined, excluding Communist-dominated areas, increased to an estimated 379,300,000 ounces, a 3% increase over our revised 1983 figure of 368,100,000 ounces. Industrial consumption increased 6% from the previous year to

371,000,000 ounces. All countries, except France, showed important improvements over the previous year. Coinage consumption decreased 55% to 8,300,000 ounces from 18,600,000 ounces in 1983. This sharp decrease is due to the U.S. Olympic coin program which used approximately 10,000,000 ounces of silver in 1983.

World mine production of silver, excluding Communist-dominated areas, amounted to nearly 315,200,000 ounces during 1984, a slight increase from our revised 1983 figure of 313,700,000 ounces. Peru, now the world's leading producer of silver, increased its output 3% in 1984 to 57,000,000 ounces. Production from Mexico was 54,700,000 ounces in 1984 compared to 53,800,000 ounces in 1983. Mine production in the United States decreased 3% to 41,900,000 ounces. Canadian production of 39,100,000 ounces was also lower than the 39,800,000 ounces for 1983. Australian mine production amounted to 33,500,000 ounces, approximately the same as last year.

Supplies of silver from secondary sources declined 24% during 1984. The outflow of silver from old scrap, demonetized coin, India, and Government sources amounted to 116,200,000 ounces during 1984 compared to 152,900,000 ounces in 1983. Silver from Government sources declined 9,800,000 ounces in 1984. This difference is attributable to the allotment of silver for the U.S. Olympic coin program in 1983. Silver provided from demonetized coin declined to 4,000,000 ounces in 1984 compared to 8,000,000 ounces the previous year. Silver supplied from India was 32,100,000 ounces in 1984, a 29% decrease from the 45,000,000 ounces supplied to the market in 1983. Finally, old scrap and other sources provided 75,100,000 ounces in 1984, down 11% from the 84,100,000 ounces in 1983.

United Kingdom: Consumption of silver for industrial uses in the United Kingdom during 1984 amounted to about 19,000,000 ounces, an increase of 6% from 1983. There was no silver used for

coinage during 1984 or the previous year. The amount of silver recovered from old scrap declined 27%, from 22,000,000 ounces in 1983 to 16,000,000 ounces in 1984.

Imports, in refined and unrefined form, are estimated at 55,000,000 ounces for the year, a decrease of 2% from the revised total of 57,000,000 ounces in 1983. During 1984, the United States supplied approximately 2,400,000 ounces, a substantial reduction from the previous year's amount of 10,600,000 ounces. Other sources were West Germany, 1,500,000 ounces; France, 4,500,000 ounces; Mexico, 1,000,000 ounces; Australia, 5,000,000 ounces; Peru, 3,500,000 ounces; and other countries, 37,100,000 ounces.

Exports of silver for 1984 amounted to 50,000,000 ounces. This represents a decrease of approximately 39% from the revised 1983 level of 82,000,000 ounces. During 1984, the United States received approximately 6,500,000 ounces. Switzerland received 20,000,000 ounces; 2,900,000 ounces was shipped to France, and 1,000,000 ounces was shipped to West Germany. Silver exported to all other countries totaled 19,600,000 ounces.

The daily quotation for prompt delivery issued by the London Silver Market ranged from a high of 679.70 pence, reached on March 5th, to a low of 529.10 pence, established on July 30, 1984. In dollar terms, the high was \$10.11 on March 5th and the low was \$6.68 on December 14, 1984. These prices were based on sterling exchange rates in effect at the time.

West Germany: Industrial consumption of silver in West Germany during 1984 amounted to 32,100,000 ounces according to our estimates. This represents a 3% increase over our revised 1983 amount of 31,100,000 ounces. There was no silver used for coinage during 1984, or the previous year. Domestic mine production for 1984 amounted to 1,300,000 ounces, approximately the same as the previous year, and smelter production

from foreign ores amounted to 12,000,000 ounces. There were no statistics available to provide figures for silver recovered from old scrap. However, we have reason to believe that about 8,300,000 ounces of silver resulting from scrap was produced during 1984.

Imports including foreign ores, in refined and unrefined form, totaled nearly 41,900,000 ounces. Approximately 5,700,000 ounces came from Sweden; 3,500,000 ounces from France; 3,000,000 ounces from Switzerland; 500,000 ounces from the United States; 1,000,000 ounces from the United Kingdom; and the balance of 28,200,000 ounces from various other countries.

Exports amounted to an estimated 25,900,000 ounces, of which 1,500,000 ounces was shipped to the United Kingdom and 500,000 ounces to Switzerland. Other principal countries of destination were Italy, Austria, the United States and the Netherlands.

France: Consumption of silver for industrial uses in France during 1984 amounted to about 17,000,000 ounces, approximately 9% lower than the previous year. There was no silver used for coinage in 1984 or 1983. Primary production amounted to 6,500,000 ounces, up 35% from our revised 1983 figure of 4,800,000 ounces. Silver produced from old scrap amounted to 8,300,000 ounces in 1984, compared to 10,000,000 ounces in 1983. Government stocks of about 2,900,000 ounces were virtually unchanged from the previous year.

Imports of silver into France during 1984 amounted to about 15,200,000 ounces, a decrease of approximately 300,000 ounces from our revised 1983 amount. The principal countries from which silver arrived were Belgium, 1,000,000 ounces; United Kingdom, 2,900,000 ounces; Mexico, 1,000,000 ounces; and 10,300,000 ounces from various other countries.

Exports totaling 16,000,000 ounces were approximately the same as the previous year. The principal countries to which silver was exported were the United Kingdom, 4,500,000 ounces; Switzerland, 2,000,000 ounces; Spain, 3,200,000 ounces; and various other countries, the balance of 6,300,000 ounces.

Canada: Production of silver in Canada during 1984 amounted to 39,100,000 ounces, a decrease of 2% from the 1983 amount of 39,800,000 ounces. Canada continues to be one of the largest producing nations in the non-Communist world. Silver consumed for industrial uses amounted to an estimated 9,000,000 ounces, an increase of 6% over the previous year. Coinage consumption amounted to 300,00 ounces in 1984, nearly the same as the previous year.

Imports of silver into Canada during 1984 increased 5% to 11,500,000 ounces, of which 9,800,000 came from the United States.

Exports for 1984 are estimated at 43,000,000 ounces, of which 37,100,000 ounces was shipped to the United States. This compares with a total of 48,000,000 ounces exported during the previous year.

Mexico: Silver production in Mexico in 1984 amounted to 54,700,000 ounces, an increase of 2% from our revised figure of 53,800,000 ounces for 1983. Mexico has been replaced by Peru as the number one producing nation in the world. Industrial consumption in Mexico amounted to about 3,600,000 ounces, an increase of 64% over the 1983 level of 2,200,000 ounces. During 1984, Mexico minted 2,000,000 ounces of silver coins. Government stocks at year-end amounted to approximately 25,500,000 ounces, an increase of 3,100,000 ounces during the year.

Mexico exported 51,700,000 ounces of silver during 1984. Approximately 3,000,000 ounces was shipped to Europe; the

United States received 41,700,000 ounces; and Japan, 7,000,000 ounces.

Japan: We estimated that industrial consumption in Japan was about 76,700,000 ounces during 1984, of which 41,700,000 ounces was used by the photographic industry and 7,800,000 ounces was used by the electrical contact manufacturers. Total quantity consumed increased by about 7% from our revised figure of 71,500,000 ounces used in 1983. In the following table we have broken down our estimates of major categories of use for 1984 and 1983:

	1984		1983	
	Ounces (millions)	% of Total	Ounces (millions)	% of Total
Photography	41.7	54.4	40.3	56.4
Nitrates	7.3	9.5	6.7	9.4
Contacts	7.8	10.2	7.5	10.5
Solder & Brazing	4.0	5.2	3.3	4.6
Plating	3.3	4.3	2.8	3.9
Tube, Sheet, Bar & Wire	3.6	4.7	3.4	4.8
Silverware	.9	1.2	1.1	1.5
Other	8.1	10.5	6.4	8.9
	<u>76.7</u>	<u>100.0</u>	<u>71.5</u>	<u>100.0</u>

Domestic mines in Japan produced 10,500,000 ounces of silver in 1984, compared to 10,400,000 ounces in 1983. In addition, 8,300,000 ounces of silver was recovered from old scrap during 1984, a 900,000 ounce increase over the 1983 amount. Industry stocks are estimated to be 25,600,000 ounces at June 30, 1984.

Imports for the year, in refined and unrefined form, are estimated at 43,200,000 ounces, an increase of 6,200,000 ounces. The largest amount came from overseas mines which produced 25,400,000 ounces in 1984, up 1,000,000 ounces from

1983. Other sources were Mexico, 7,000,000 ounces; United States, 3,900,000 ounces; Peru, 5,600,000 ounces, and the balance of 1,300,000 ounces from all other countries.

Exports of silver for 1984 amounted to 2,200,000 ounces, a sharp decrease from the 4,800,000 ounces which were shipped in 1983.

Once again, no silver was used in coinage and the Government has no plans to mint coins containing silver in the future. Government stocks are estimated to be nearly 2,000,000 ounces at the end of 1984, the same as the amount held at the close of the previous year.

India: For many years, India has been an important source of silver to world markets. However, silver is not produced in India and whatever silver is exported comes out of stocks which were accumulated through the centuries. The Government of India is conscious of this fact; hence, they attempt to regulate the export of silver. On February 20, 1979, the Government decided to ban export of silver, but nevertheless, we are advised that perhaps 6,400,000 ounces was shipped to world markets during 1984, a decrease of 16,800,000 ounces from the previous year. This decline in supply to world markets may be attributed to the fact that during 1984, the silver price in India remained higher than the world price. This was in contrast to the conditions which prevailed prior to 1983. Consumption of silver in India amounted to 25,700,000 ounces, an increase of 3,900,000 ounces from the previous year. This represents a total contribution in 1984 of 32,100,000 ounces to the market of the non-Communist world, compared to 45,000,000 ounces in 1983. It is not possible to verify the internal hoards of silver in India, but by all reports they are enormous and will continue to be an important factor for the indefinite future. Government monetary stocks are reported to be 67,500,000 ounces at the end of 1984, which reflects no change during the year.

SUMMARY OF WORLD STOCKS

A study, prepared for the Bureau of Mines by Economic Consulting Services, Inc., stated that U.S. silver holdings of silverware, coins and bullion probably exceeds 2.5 billion ounces. While all of this material could be a potential supply source, it is believed that factors such as price and form will determine the rate at which this material becomes available to the market. Silver held in coins has proven to be highly price-elastic, but the elasticity of the balance of this supply is considered to be quite low.

World Stocks of Silver

(excluding India and Communist-dominated areas)

	(millions of ounces)		
	1984	1983	Increase (Decrease)
Reported private stocks:			
New York Commodity Exchange	118.5	127.4	(8.9)
Chicago Board of Trade	17.5	23.8	(6.3)
London Metal Exchange	52.0	45.4	6.6
Industry stocks in U.S.	19.2(a)	17.7	1.5
Total	<u>207.2</u>	<u>214.3</u>	<u>(7.1)</u>
U.S. Government stocks:			
U.S. Strategic Stockpile	137.5	137.5	—
U.S. Treasury (Mint)	32.2(a)	36.8	(4.6)
Total	<u>169.7</u>	<u>174.3</u>	<u>(4.6)</u>
Stocks of foreign governments (estimated)	<u>150.0</u>	<u>150.0</u>	<u>—</u>
Conjectural stocks:			
Unreported bullion stocks in the U.S. and abroad	880.8	820.0	60.8
U.S. silver coins potentially available	848.0	850.0	(2.0)
Foreign silver coins potentially available	30.0	25.0	5.0
Total	<u>1,758.8</u>	<u>1,695.0</u>	<u>63.8</u>
Total World Silver Stocks	<u>2,285.7</u>	<u>2,233.6</u>	<u>52.1</u>

(a) As of September 30, 1984.

The table on page 19 summarizes on a world-wide basis, excluding India and Communist countries, reported and unreported stocks of silver in both bullion and coin. In some cases, figures are available from published reports, governmental and private. In the case of "Stocks of foreign governments," only partial information is available. "Conjectural stocks" were determined by reference to the Bureau of mines study referred to above and information obtained from private sources.

It is estimated that world stocks of silver totaled approximately 2,285,700,000 ounces at December 31, 1984, an increase of 52,100,000 ounces during the year. Reported private stocks declined 7,100,000 ounces, and conjectural stocks (principally unreported bullion in the United States and abroad) increased 63,800,000 ounces.

THE OUTLOOK

For many years, the flow of silver into world markets from India and other secondary sources has been an important part of the supply equation. A portion of this flow appears to react to price changes, diminishing when prices decline and increasing when they rise. Large supplies of secondary silver have been absorbed in past years, and such supplies will continue to be needed in the future. Silver supplied from these sources declined 25,900,000 ounces during 1984. However, this amount was more than offset by a 46,400,000 ounce reduction in investor demand.

The silver market surely defies prediction, and for the past several years attempts to forecast short-range price movements have been largely unsuccessful because of the actions of investors and speculators who have dominated the market. Furthermore, there is no way of anticipating how the market is going to react to any particular situation. However, in the long-run, it seems probable that the price of silver will be determined by industrial and investor demand.

STATISTICAL TABLES

World Silver Consumption

(excluding Communist-dominated areas)

(millions of ounces)

	1984	1983	1982	1981	1980
Industrial uses:					
United States	119.0	116.3	118.8	116.6	124.7
Canada	9.0	8.5	9.0	8.5	8.7
Mexico	3.6	2.2	3.6	3.2	3.1
United Kingdom	19.0	18.0	20.0	18.5	20.5
France	17.0	18.6	18.6	20.6	20.2
West Germany	32.1	31.1	33.6	28.0	29.1
Italy	14.7	9.0	9.3	12.4	21.8
Japan	76.7	71.5	63.2	59.8	61.7
India	25.7	21.8	22.5	19.0	19.0
Belgium	16.2	16.0	15.1	16.2	15.7
Other countries	38.0	36.5	35.0	34.0	30.0
Total industrial uses	371.0	349.5	348.7	336.8	354.5
Coinage:					
United States	3.0	11.2(a)	2.5(a)	—	.1
Canada	.3	.4	.3	.2	.2
Austria	—	2.0	4.0	3.0	4.3
Mexico	2.0	—	—	—	6.1
Other countries	3.0	5.0	6.0	5.8	3.0
Total coinage	8.3	18.6	12.8	9.0	13.7
Total Consumption	379.3	368.1	361.5	345.8	368.2

NOTE: Figures for 1984 are preliminary. Some of the figures for 1980 through 1983 as published in last year's Review have been revised.

(a) Includes silver used in minting the George Washington Commemorative Coin and the Olympic Coin.

World Silver Supplies

(excluding Communist-dominated areas)

(millions of ounces)

	1984	1983	1982	1981	1980
New production:					
Western Hemisphere:					
United States	41.9	43.4	40.2	40.7	32.3
Canada	39.1	39.8	38.7	36.3	33.3
Mexico	54.7	53.8	49.8	53.2	47.3
Peru	57.0	55.2	53.6	46.9	42.9
Other countries	27.5	27.0	25.1	25.6	22.8
Total	220.2	219.2	207.4	202.7	178.6
Outside the Western Hemisphere:					
Australia	33.5	33.5	29.2	23.9	25.4
Other countries	61.5	61.0	59.3	60.0	56.0
Total	95.0	94.5	88.5	83.9	81.4
Total new production	315.2	313.7	295.9	286.6	260.0
Secondary sources of supply:					
From U.S. Government	3.0	11.8	3.1	2.1	.1
From stocks of foreign gov'ts	2.0	3.0	8.0	2.0	5.2
From demonetized coin	4.0	8.0	13.0	12.0	55.0
From Indian stocks	32.1	46.0	35.4	33.5	44.7
Old scrap and other misc. sources	75.1	84.1	81.0	105.0	121.5
Liquidation of (additions to) private bullion stocks	(52.1)	(98.5)	(74.9)	(95.4)	(118.3)
Total other supplies	64.1	54.4	65.6	59.2	108.2
Available for World Consumption	379.3	368.1	361.5	345.8	368.2

NOTE: Figures for 1984 are preliminary. Some of the figures for 1980 through 1983 as published in last year's Review have been revised.

United States Industrial Consumption of Silver by End Use

(millions of ounces)

	1984	1983	1982	1981	1980
Electroplated ware	3.4	3.2	3.2	3.9	4.4
Sterling ware	5.5	7.0	6.6	4.4	9.1
Jewelry	6.5	6.9	6.3	5.4	5.9
Photographic materials	53.4	51.8	51.8	51.0	49.8
Dental and medical supplies	1.6	1.5	1.7	1.7	2.2
Mirrors	1.0	1.0	1.0	.6	.7
Brazing alloys and solders	7.0	5.8	7.4	7.7	8.5
Electrical and electronic products:					
Batteries	2.8	2.6	4.2	3.8	6.0
Contacts and conductors	27.9	26.3	27.7	26.4	27.8
Bearings	.2	.2	.2	.3	.6
Catalysts	2.4	2.4	2.4	3.8	3.0
Coins, medallions and commemorative objects	2.6	3.0	1.8	2.6	4.6
Miscellaneous	4.7	4.6	4.5	5.0	2.1
Total Industrial Consumption	119.0	116.3	118.8	116.6	124.7

NOTE: Based on data from Mineral Industry Surveys for gold and silver, published by Bureau of Mines, United States Department of the Interior.

Imports of Silver into the United States

(millions of ounces)

	1984	1983	1982	1981	1980
Imported from:					
Canada	37.1	35.9	37.4	34.0	31.1
Mexico	41.7	30.3	26.4	22.1	14.6
Peru	25.2	23.9	18.3	23.0	18.1
Other Western Hemisphere Countries	6.9	4.3	7.6	6.8	3.0
Total Western Hemisphere ..	110.9	94.4	89.7	85.9	66.8
United Kingdom	6.5	62.6	12.4	1.4	4.5
All Other Countries	2.0	22.9	15.3	6.8	7.4
Total Imports	119.4	179.9	117.4	94.1	78.7

Exports of Silver from the United States

(millions of ounces)

	1984	1983	1982	1981	1980
Exported to:					
Canada	9.8	9.2	9.4	10.5	8.6
United Kingdom	2.4	10.2	7.4	8.7	30.5
Japan	3.9	4.5	4.4	4.0	4.6
West Germany	.5	2.7	2.3	.3	5.6
Switzerland	—	.3	.5	1.0	15.8
All Other Countries	9.0	5.1	1.4	3.4	15.8
Total Exports	25.6	32.0	25.4	27.9	80.9

NOTE: Figures for 1984 are preliminary. Some of the figures for 1980 through 1983 as published in last year's Review have been revised.

Silver Quotations

NEW YORK (Handy & Harman)				LONDON (Daily Fixing)		
	High	Low	Average	High	Low	Average
1984 ...	1003.500	626.000	814.066	679.700p	529.100p	607.056p
1983 ...	1474.500	834.000	1144.128	948.650	560.250	753.437
1982 ...	1121.000	488.500	794.728	685.150	285.100	455.258
1981 ...	1645.000	795.000	1051.837	671.200	412.800	515.234
1980 ...	4800.000	1080.000	2063.157	2165.050	467.800	900.662
1979 ...	2800.000	596.100	1109.378	1446.850	296.400	508.561
1978 ...	629.600	482.900	540.089	311.200	250.000	282.203
1977 ...	496.000	430.000	462.302	289.700	246.900	265.538
1976 ...	510.000	381.500	435.346	282.150	189.050	242.420
1975 ...	522.500	391.000	441.852	248.100	167.100	200.115